

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 07-01-30**

Date Published: January 25, 2007
For Work Week Commencing: January 29, 2007
Commission Meeting: January 30, 2007, 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the later part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.mt.gov>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Live audio feed Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio feed link on the PSC website (<http://psc.mt.gov/eDocs/#Calendars>). The audio feeds of meetings are also archived at the same website location.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

9:00 a.m. Weekly Scheduling (Commission Conference Room – No Web Audio Feed)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. Coral Energy Resources, L.P. (N2006.11.164) (JOEL)

On November 13, 2006 the Commission received an application from Coral Energy Resources, L.P. for a license to supply natural gas in Montana. Staff recommends approval. Suggested Motion: Approve gas supplier license for Coral Energy Resources, L.P

2. Qwest Corporation N2007.1.4 (Gary)

On January 11, 2007 Qwest Corporation (Qwest) filed for Commission approval a Multi-State Agreement (MSA) between Qwest and The Kroger Company (Kroger). Qwest is filing the MSA with the Commission for approval pursuant to Section 2.18 (Large Business Customers With a Multi-State Presence) of its Exchange and Network Service Tariff, and pursuant to the Commission's April 16, 2004 Notice of Commission Action (NCA) in Docket N2003.10.149. Also pursuant to the NCA, Qwest filed proprietary cost information. The MSA is the result of Qwest's response to competitive bids

From multiple vendors seeking Kroger's business. The MSA is for the provisioning of business access lines and packages. Probable Motion: Move to approve the Multi-State Agreement between Qwest Corporation and The Kroger Company in Docket No. N2007.1.4.

3. Qwest Corporation (Qwest) D2006.8.123 (Gary)

Qwest has filed for approval with the Commission an interconnection agreement amendment between Qwest and Bresnan Broadband of Montana, LLC (Bresnan). This amendment adds the terms, conditions and rates for Centralized Message Data System (CMD5) Hosting and Message Distribution service to the existing interconnection agreement between Qwest and Bresnan. This amendment was voluntarily negotiated by the parties involved and staff recommends approval of the amendment. Probable Motion: Move to approve the interconnection agreement amendment in D2006.8.123 - Qwest Corporation/Bresnan Broadband of Montana, LLC.

4. Hot Springs Telephone Company N2007.1.6 (Scott)

On January 12, 2006, Hot Springs Telephone Company (HSTC) filed a proposed tariff for adding a service charge for providing duplicate copies of bills. HSTC explains that a recent IRS decision provides for a credit, designed to refund previously collected federal excise taxes on long-distance or bundled services, for the time period Feb. 28, 2003 through August 1, 2006. Taxpayers may take a standard credit, or as an alternative, they may provide to the IRS the actual amount of excise tax collected on telephone bills for the above period. HSTC is anticipating a number of customers can be expected to request reprints for multiple months of bills. This will cause additional costs for HSTC. To recoup those additional costs HSTC is proposing to charge \$4.00 for each duplicate bill copy. There will be no

charge for bills 6 months (or less) old, or for copies of bills needed for billing disputes. Probable motion: approve HSTC's tariff in Docket N2007.1.6.

5. Citizens Telecommunications Company N2007.1.5 (Scott)

On January 11, 2006, Citizens Telecommunications Company of Montana d/b/a/ Frontier Communications of Montana (Frontier) filed a proposed tariff to include Touch Call service (\$1.50 per month) in the Frontier Digital Phone Service Bundle at no additional charge. Frontier is requesting a February 10, 2007 effective date. Probable motion: Approve Citizens' tariff in Docket N2007.1.5

6. Black Hills Power Docket D2007.1.3 (Eric)

On January 4, 2007, BHP filed a Quarterly Fuel Rate Rider application. A Notice of Opportunity for Public Hearing was issued on January 5, 2007. Requests for hearing were due by January 29, 2007. No requests have been received. This application will increase revenues by \$28,662 over the base cost of fuel approved in Docket No. 83.4.25. A default order has been drafted. Probable motion: Grant BHP's Quarterly Fuel Rate Rider application.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. D2006.11.166 – Qwest Corporation and Ygnition Networks, Inc. – Interconnection agreement - Discuss and act on the agreement. (01/30/07)
2. FCC CC 01-92 – Intercarrier compensation, Missoula Plan – Discuss and all matters related to the filing of reply comments regarding the Missoula Plan and intercarrier compensation. (01/30/07)
3. D2006.6.94 – NWE 2006 QF/AC – Discussion, direction, action on discovery objections and motions, other matters as necessary. (01/30/07)
4. D2006.4.54 – MDU 06 Gas Tracker – Discussion, direction, action on procedure, other matters as necessary. (01/30/07)
5. N2005.9.139 – MDU IRP – Placeholder in case there is anything to discuss prior to noticing the Miles City hearing on February 26, 2007. (01/30/07)

6. Legislative – Discuss bills relevant to PSC mission, statutory authority, administrative process and general agency concerns; consider staff analysis and recommendations; provide direction on PSC response to bills. (01/30/07)
7. **1/29/07, 1/31/07, 2/1/07, and 2/2/07 at 8:30 a.m.** – Legislative – Discuss bills relevant to PSC mission, statutory authority, administrative process and general agency concerns; consider staff analysis and recommendations; provide direction on PSC response to bills. (Commission Conference Room)

Other Meetings

Weekly Scheduling – Will be held at 9:00 a.m. on the day of the Commission Meeting

Tuesday, 1/30/07, 1:30 p.m. –NWE update on implementation of Liberty Audit recommendations (Bollinger Room)

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

1. Qwest N2007.1.7 (Scott)

On January 16, 2007, Qwest Communications Corporation's (QCC) filed tariff transmittal QCC07-03 Introduction of a one-cent minimum to Qwest Total Advantage (QTA) and Qwest Loyal Advantage (QLA) voice long distance customers.

2. CenturyTel N2007.1.8 (Scott)

On January 13, 2006, CenturyTel of Montana filed transmittal No. 06-12. In this filing CenturyTel is requesting to withdraw the promotion that was approved in Docket N2006.12.185 due to a technical conflict between Call forwarding and Voice Messaging. CenturyTel is proposing to offer the following promotion: residential customers who subscribe for a 12 month

commitment can receive an access line, 256K DSL with Anti-virus protection, 100 minutes of long distance calling, (\$0.12 per minute over 100 minutes), Voice messaging, Call waiting, and 3-way Calling for a package price of \$48.95.

3. Ronan Telephone Company N2007.1.9 (Scott)

On January 9, 2006, Ronan Telephone Company (RTC) filed a proposed tariff for adding a service charge for providing duplicate copies of bills. RTC explains that a recent IRS decision provides for a credit, designed to refund previously collected federal excise taxes on long-distance or bundled services, for the time period Feb. 28, 2003 through August 1, 2006. Taxpayers may take a standard credit, or as an alternative, they may provide to the IRS the actual amount of excise tax collected on telephone bills for the above period. RTC is anticipating a number of customers can be expected to request reprints for multiple months of bills. This will cause additional costs for RTC. To recoup those additional costs RTC is proposing to charge \$4.00 for each duplicate bill copy. There will be no charge for bills 6 months (or less) old, or for copies of bills needed for billing disputes.

4. Citizen Telecommunications Company of Montana N2007.1.10 (Scott)

On January 16, 2007, Citizen filed advice letter No. MT-07-02, Termination or -origination of Calls Received over a Data Service. The purpose of this filing is to include a tariff provision designed to ensure what would otherwise be phantom traffic on Citizens' network will be appropriately rated and billed if a residential customer line is used to terminate long distance service on the network that originates from someone other than Citizens subscriber.

5. Citizen Telecommunications Company of Montana N2007.1.12 (Scott)

On January 23, 2007, Citizen filed advice letter No. MT-07-03, Reserve Rotary Telephone Number. The purpose of this filing is to remove Rotary Telephone Number Reservation from the tariff. There are no customers subscribing to this service.

6. MDU Resources Group Inc. Docket D2007.1.13 Eric)

On January 24, 2004, MDU filed an application for authorization to issue short-term debt securities in an amount up to \$310,000,000 in the form of one or more promissory notes to finance, on an interim basis, the acquisition of Cascade Natural Gas Corp. Cascade will join Montana-Dakota Utilities Co. and Great Plains Natural Gas Co. as the Applicant's utility business units. Cascade serves approximately 235,000 customers in 93 communities—65 of which are in Washington and 28 in Oregon.

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199.

1. NorthWestern Energy N2006.12.184 (Martin)

A protective order, Order No. 6803, was issued January 23, 2007, in the above matter, which concerns gas purchases and sales cost information; detailed monthly gas volumes related to gas purchases and storage; yearly forecast storage volume targets and fixed-price purchase volumes and percentages; yearly additional fixed-price purchase targets and prices; and target volumes associated with long-term hedging strategies.

2. Ronan Telephone Co. N2006.4.47 (Robin)

A term protective order, Order No. 6800, was issued January 22, 2007, in the above matter, which covers cost information, traffic data, and employee compensation information.

3. Hot Springs Telephone Co. N2006.4.48 (Robin)

A term protective order, Order No. 6801, was issued January 22, 2007, in the above matter, which covers cost information, traffic data, and employee compensation information.

Information Items All items identified below are for information only.

New Filings Received in Past Week

D2007.1.11 – Montana-Dakota Utilities Co. – Request for waiver of a portion of 49 CFR, part 192.479, 192.4.81(a)

N2007.1.12 – Citizens Telecommunications Company of Montana – Remove rotary telephone number reservation from the tariff

D2007.1.13 – MDU Resources Group, Inc. – Application for authorization for the issuance of securities